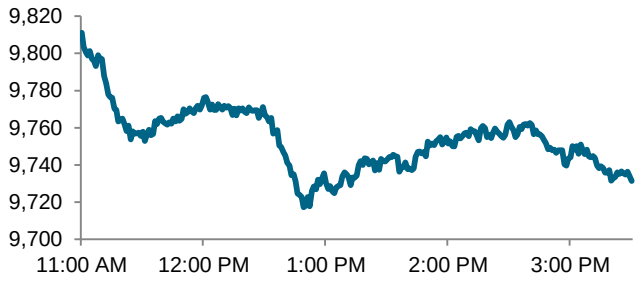
DAILY MARKETS OVERVIEW

السعودي الفرنسي كابيتال
Saudi Fransi Capital
تميّز في الخدمة، تفوّق في الأداء

21 MAY 2015

TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	9,731	-0.8	0.0	16.8	20.4
Petrochemicals	6,798	-1.4	-1.2	16.1	20.2
Bank & Financials	21,811	-0.6	-0.2	19.1	14.9
Cement	7,076	-0.2	0.0	3.3	14.8
Telecom & IT	1,811	-1.2	-0.6	-6.7	12.6
Building & Const.	3,791	-1.1	-0.3	14.8	18.4
Real Estate	8,031	-0.1	0.1	35.7	34.2
Industrial Investment	8,976	-2.1	-0.5	36.2	23.5
Energy & Utilities	7,254	-3.2	-0.3	28.4	28.9
Insurance	1,642	-0.9	3.8	28.7	28.1
Agri. & Food	12,179	0.1	0.3	4.4	24.8
Retail	17,609	-0.7	1.8	13.5	27.0
Transport	9,994	-1.2	4.6	38.0	22.1
Hotel & Tourism	24,763	-1.6	1.2	25.3	21.2
Multi-Investment	4,599	-0.5	1.6	25.0	38.1
Media & Publishing	2,308	-0.8	-0.2	4.9	57.6

Sources: Bloomberg and Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Saudi Co. for Hardware	129.3	5.1%	964.5
Al-Ahsa Development Co	16.5	3.1%	92.5
Saudi Airlines Catering Co	172.3	2.0%	566.6
Saudi Industrial Export Co	55.5	1.9%	167.6
AXA Cooperative Insurance Co	26.2	1.7%	67.6

Source: Tadawul

Upcoming General Meetings

Company	Proposed Date
Arabian Shield Cooperative Insurance	21-May-15
Al Hassan Ghazi Ibrahim Shaker	21-May-15
Bawan Holding	24-May-15
Wafrah for Industry and Development	24-May-15
Gulf General Cooperative Insurance Co	25-May-15
Saudi Enaya Cooperative Insurance	26-May-15
Saudi Arabian Cooperative Insurance	31-May-15
Bupa Arabia for Cooperative Insurance	1-Jun-15
Qassim Agriculture Co	2-Jun-15

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of May 21, 2015
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- The TASI declined 0.8% and closed at 9,731 on Wednesday. Value traded totaled SAR 8.8bn and has averaged SAR 8.6bn in the last 30 days. The five most active stocks (by value) accounted for 36.0% of the total daily value traded.
- Petrochemicals fell 1.4% while Telecom declined 1.2%. Banks ended 0.6% lower. Agriculture (+0.1%) was the only sector that closed in the green. Energy & Utilities (down 3.2%) and Industrial Investment (down 2.1%) were the notable losers. Saudi Co. for Hardware (4008/SCH AB) and Al-Ahsa Development Co. (2140/AADC AB) were the top gainers.
- The Saudi Arabian Monetary Agency (SAMA) Governor, Fahad Al Mubarak, has expressed confidence that the KSA economy can weather the current storm of declining oil prices in the "medium term". The SAMA chief stated that besides opening of the capital markets to foreign investors, efforts are also "under way" to facilitate debt issuance (and settlement procedures) to develop the corporate bonds and the Sukuk market. *(Source: Saudi Gazette)*
- Saudi Arabia and the main Middle East OPEC partners are turning down requests from China for "extra oil" as they hold back fuel for its own refineries. According to sources, requests for extra crude cargoes (for May and June) by China Oil and Unipec were turned down by KSA, forcing them to seek supplies from West Africa, Oman and Russia. *(Source: Arabian Business)*
- Al Sorayai Trading & Industrial Group Co. (1213/ALSORAYA AB) is planning exports into new markets across Africa and Russia in 2015, according to management. The move is aimed to offset the decline in exports due to turmoil in Syria, Libya and Yemen. *(Source: Mubasher)*

Coming Up

- The Capital Market Authority (CMA) has cancelled the IPO of Arabian Contracting Services Co. (ACSC), upon the company's request. ACSC has stated that it needs to assess "new material information" which was "not disclosed" in the draft prospectus submitted to the CMA and also wants to study the impact of the floatation on the company's operations and financial performance. The company had earlier planned to offer 16.5mn shares (c.30% of capital) through an IPO which was scheduled to begin from June 10, 2015. *(Source: Tadawul)*

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
SABB Takaful	44.6	-3.9%	104.5
Saudi Chemical Co	80.8	-3.7%	147.8
Bawan Co	53.3	-3.7%	71.8
Saudi Electricity Co	20.0	-3.4%	94.9
Malath Cooperative Insurance and Reinsurance Co	29.6	-3.3%	76.5

Source: Tadawul

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Saudi Co. for Hardware	129.3	5.1%	964.5
Saudi Basic Industries Corp	105.0	-1.9%	742.3
Saudi Airlines Catering Co	172.3	2.0%	566.6
Alinma Bank	24.2	-0.5%	536.5
Saudi Transport and Investment Co	69.3	0.9%	364.4

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	4,109	-0.5	0.9	8.9	9.5
Abu Dhabi (ADX)	4,631	-0.1	0.0	2.3	11.7
Kuwait (KSE)	6,379	0.2	0.4	-2.4	16.7
Qatar (QE)	12,522	0.5	0.1	1.9	13.2
Oman (MSM)	6,406	0.3	0.7	1.0	9.3
Bahrain (BSE)	1,380	-0.7	-0.9	-3.3	8.9
DJMENA Index	636	-0.6	0.2	6.0	NA

Source: Bloomberg

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,126	-0.1	0.1	3.3	18.8
US (NASDAQ)	5,072	0.0	0.5	7.1	20.4
UK (FTSE 100)	7,007	0.2	0.7	6.7	22.1
Germany (DAX)	11,848	0.0	3.5	20.8	19.1
France (CAC 40)	5,133	0.3	2.8	20.1	26.4
Russia (MICEX)	1,637	-1.4	-3.2	17.2	9.6
Japan (Nikkei)	20,197	0.8	2.3	15.7	22.9
Hong Kong (HSI)	27,585	-0.4	-0.9	16.9	11.7
South Korea (KOSPI)	2,140	0.9	1.6	11.7	12.2
China (SHCOMP)	4,446	0.7	3.2	37.5	22.3
India (NIFTY)	8,423	0.7	1.9	1.7	21.1
Brazil (IBOV)	54,901	-1.1	-4.1	9.8	33.3
Turkey (BIST 100)	87,791	-1.0	0.2	2.4	11.3
Egypt (EGX30)	8,826	-0.6	6.3	-1.1	16.0
MSCI Emerging Markets	1,036	-0.5	-0.7	8.3	14.8
MSCI World	1,804	0.0	-0.2	5.5	18.9

Source: Bloomberg

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude ($/bbl)	65.0	1.6	-2.7	4.7	-37.5
Natural Gas ($/mmbtu)	2.9	-1.1	-3.3	-1.3	-28.6
Gold ($/oz)	1,209.8	0.2	-1.2	2.1	-6.4
Silver ($/oz)	17.1	-0.1	-2.2	9.0	-11.8
Platinum ($/oz)	1,156.5	0.5	-1.0	-4.3	-21.7
Copper ($/t)	6,214.0	0.1	-3.1	-2.4	-9.7
Zinc ($/t)	2,189.5	-1.5	-4.4	1.0	6.3
Lead ($/mt)	1,919.0	-0.9	-2.2	3.6	-8.0
Wheat ($/bu)	513.0	0.5	0.4	-14.1	-28.6
Corn ($/bu)	360.0	-0.6	-1.5	-12.7	-26.9
Sugar ($/lb)	12.6	-2.1	-2.3	-17.4	-34.1

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	0.28	0.28	0.26	0.00
Saudi Arabia	0.78	0.78	0.86	0.50
UAE	0.74	0.74	0.68	0.46
Kuwait	1.25	1.25	1.06	0.97
Qatar	1.11	1.12	1.06	0.84
Bahrain	0.70	0.70	NA	0.42

Source: Bloomberg

NOTES: (1) Prices updated as of May 21, 2015
(2) WTD: Week to Date and YTD: Year to Date
(3) *Spread over 3-month USD LIBOR

GCC & Global Markets Update

- The US markets ended almost flat on Wednesday. The S&P 500 and the Dow Jones Industrial Average and the NASDAQ all closed almost flat. In Europe, the UK gained 0.2% while Germany ended flat. France closed 0.3% higher.
- Asian markets opened mostly in the green this morning. Japan advanced 0.5% while Hong Kong is almost flat. South Korea declined 0.6% while China is up 0.9%. India opened 0.2% lower in early trade.
- The GCC markets ended mixed on Wednesday. Qatar rose 0.5% and was the best performing market. Dubai fell 0.5% while Abu Dhabi closed almost flat. Oman rose 0.3% while Kuwait gained 0.2%. Bahrain ended 0.7% lower.
- The US Justice Department has fined c.USD 6.0bn in charges on major global banks including - JP Morgan Chase, CitiGroup Inc, Bank of America, Barclays Plc, Royal Bank of Scotland and UBS AG - in forming "Cartels" and trying to manipulate foreign exchange rates. *(Source: Reuters)*
- China's HSBC Manufacturing PMI (flash) reading edged up to 49.1 in May [April (Final): 48.9] and indicated a contraction in the manufacturing sector. *(Source: Econoday)*
- Japan's Manufacturing PMI (flash) has increased to 50.9 in May [April (Final): 49.9] and indicated that the manufacturing sector has returned to growth. *(Source: Econoday)*
- According to Cluttons, the real estate regulatory changes in the UAE including the mortgage cap and Dubai's move to double the registration fees (in 2014), have contained the Dubai's residential market outlook market from overheating. Dubai's overall home value declined 0.5% YoY 1Q 2015. *(Source : Arabian Business)*
- According to Thomson Reuters/Lipper, global Islamic mutual funds now hold USD 53.2bn in assets under management (AUM) in 2014, recovering from a low of USD 25.7bn AUM in 2008. The total number of Islamic mutual funds has reached 943 in 2014, up c.14% YoY and almost double the number in 2008. The study has forecast the AUM to grow 8% annually to reach USD 76.7bn by 2019. *(Source: Arab News)*
- Dubai-based real estate developer Emaar Properties (EMAAR DB) plans to list a 13% stake of its Egyptian unit (Emaar Misr) in the Cairo stock exchange. The share sale will comprise of an IPO to retail investors in Egypt, along with a private placement to local and international institutions. *(Source: Arabian Business)*
- The UAE-based petrochemicals firm Borouge has stated that the third phase of its expansion (which will increase the annual production capacity to c.4.5mn tons of polyolefin) will be "fully operational" by 2016. Borouge's average production for 2015 is expected to be c.3.5mn tons. *(Source: Trade Arabia)*
- The US-based CVS Health Corp (CVS US) is reportedly nearing a deal to buy pharmacy service provider Omnicare Inc (OCR US) in a c.USD 12.0bn deal. *(Source: Reuters)*

Coming Up

- The European Union Composite PMI (flash) for May (consensus: 53.7; prior: 53.5) will be released today. *(Source: Econoday)*
- The US PMI Manufacturing Index (flash) for the month of May (consensus: 54.6, prior: 54.2), Leading Indicators for April (consensus: +0.3% MoM; prior: +0.2% MoM) and Existing Home Sales for April (consensus: 5.22mn, prior: 5.19mn) will be released today. *(Source: Econoday)*

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